Company Registration No. 07616709 (England and Wales)

Netherwitton Heating Company Limited

Unaudited financial statements for the year ended 30 April 2018

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Saffery Champness
CHARTERED ACCOUNTANTS

Netherwitton Heating Company Limited

Company information

Director	John Trevelyan
Secretary	John Trevelyan
Company number	07616709
Registered office	Netherwitton Hall Netherwitton Morpeth NE61 4NW
Accountants	Saffery Champness LLP Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9BA

Netherwitton Heating Company Limited

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Netherwitton Heating Company Limited

Statement of financial position
As at 30 April 2018

	Notes		2018		2017
		£	£	£	£
Fixed assets					
Tangible assets	3		2,037		54,143
Current assets					
Stocks		1,800		6,200	
Debtors	4	6,828		6,574	
Cash at bank and in hand		12,675		1,075	
		21,303		13,849	
Creditors: amounts falling due within one year	5	(250,420)		(271,019)	
Net current liabilities			(229,117)		(257,170)
Total assets less current liabilities			(227,080)		(203,027)
Capital and reserves					
Called up share capital	6		100		100
Profit and loss reserves			(227,180)		(203,127)
Total equity			(227,080)		(203,027)

Netherwitton Heating Company Limited

Statement of financial position (continued)
As at 30 April 2018

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 April 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 12/6/2018

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John Trevelyan
Director

Company Registration No. 07616709

1 Accounting policies

Company information

Netherwitton Heating Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Netherwitton Hall, Netherwitton, Morpeth, NE61 4NW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company has a net liability balance sheet total of £227,062, net current liabilities of £229,117 and has made a loss after taxation of £24,035. The company is therefore reliant on the support of the director - to whom there is a net debt repayable of £249,170 - to meet the on-going liabilities as they fall due for repayment. The director has confirmed that he will continue to fully support the company. As a result of this the financial statements have been prepared on a going concern basis.

1.3 Turnover

Turnover represents amounts receivable for the supply of energy, net of VAT where applicable. It is accounted for on an accruals basis.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	20% straight line

1 Accounting policies (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies (continued)

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. A deferred tax asset is only recognised to the extent that it is regarded as recoverable.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was nil (2017 - nil).

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 May 2017 and 30 April 2018	363,817
Depreciation and impairment	
At 1 May 2017	309,674
Depreciation charged in the year	52,106
At 30 April 2018	361,780
Carrying amount	
At 30 April 2018	2,037
At 30 April 2017	54,143

4 Debtors

	2018	2017
Amounts falling due within one year:	£	£
Other debtors	6,828	6,574

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Other creditors	250,420	271,019

6 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

7 Related party transactions

Transactions with related parties

Included within other creditors is a balance of £249,170 (2017 - £269,170) owed to the director, John Trevelyan. During the year repayments were paid to the director totalling £20,000 (2017 - £36,000). The loan is interest free and repayable on demand.